



U.S. Department of Justice

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EVENT: Sentenced

Defendant: Scott Edward Ashley

CANTON MAN SENTENCED FOR MORTGAGE FRAUD

A Canton resident was sentenced today to 56 months imprisonment for charges related to the fraudulent procurement of \$3.8 million in mortgage and other loan proceeds and the fraudulent use of false social security numbers in filing multiple bankruptcy petitions, United States Attorney Stephen J. Murphy announced today.

Murphy was joined in the announcement by John Keenan, the Detroit Resident Agent in Charge of the Social Security Administration's Office of Inspector General.

Scott Edward Ashley, aged 40, was sentenced by United States District Judge Gerald E. Rosen.

Ashley pled guilty in the midst of a November 2006 jury trial in which he was charged with defrauding Comerica, Wells Fargo, and Huntington banks in applications for loans totaling \$3.8 million. It was further charged that, in addition to providing false information on his loan applications, Ashley supplied the banks with bogus federal tax records that falsely indicated

that he was earning over \$1 million a year. Actually, according to the indictment, Ashley was receiving Social Security disability benefits and, with his spouse, had joint annual income of less than \$25,000. It was further charged that Ashley's fraud caused the banks to ultimately lose over \$1.5 million. It was also charged that Ashley utilized false social security numbers not only in his loan applications, but in nine bankruptcy petitions Ashley filed between 1997 and 2006.

United States Attorney Stephen J. Murphy said, "Today's sentence should discourage future flim-flam artists from trying to make an easy buck by falsifying loan applications and bankruptcy court petitions. I applaud the hard work of the Social Security Administration's Office of Inspector General, as well as the trial team from my office for aggressively pursuing this case."

Ashley pleaded guilty after one full day of trial, by entering guilty pleas to three counts of bank fraud and four counts of social security number fraud. There was no plea bargain.

In addition to the sentence of imprisonment, Judge Rosen ordered Ashley to pay \$1,664,580 in restitution

The investigation of this case was conducted by the Office of Inspector General of the Social Security Administration. The case has been prosecuted by Assistant U.S. Attorney Paul Burakoff.